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EXHIBIT 8
DATE 4/12/07
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Lewis and Clark County

Administrative and Financial Services Department

1. A water system improvement project is planned for the Fairgrounds/Dunbar Area, which is comprised of the Lewis and Clark County fairgrounds, the Woodlawn Park Addition, and the Associated General Contractors (AGC) Laborer's Training Facility.
2. This water system improvement is Phase II of a two-phase project that also includes an upgrade to the wastewater system that will replace aging septic systems in the area with connection to the City of Helena. The water system upgrade will also connect the area to the City of Helena services and will assure a safe drinking water supply and increased fire flows to the area.
3. Grant funding has been secured for the wastewater project.
4. The County submitted Grant applications this grant cycle for the water project. Applications were submitted to the Treasure State Endowment Program (TSEP), the Community Development Block Grant Program (CDBG), and DNRC's Renewable Resource Grant and Loan Program (RRGL). Bond funds from the recently passed County levy as well as an RID that has been formed to pay back a State Revolving Fund (SRF) loan will also be used to help fund the project.
5. The application ranked #1 for recommendation to the legislature for the TSEP grant and also #1 in the Department of Commerce selection process for the CDBG grant.
6. RRGL did not rank us high enough to get into the top 51 projects for which they expect to get funding approved. We are #53.
7. The \$100,000 grant from RRGL is very important for the future of the project to completely fund this improvement for Lewis and Clark County.
8. The residential portion of this project, Woodlawn Addition, is 65% low to moderate income and without receiving the funds from RRGL, the project may become unaffordable to the residents of the neighborhood.

Resource justification for funding this project:

1. Our application did not receive points for water meter installation which is a conservation issue for RRGL. However, the water meters will be installed as required by the City of Helena during construction of the Phase I wastewater project. This was mentioned in the application material to RRGL. Water meters will be installed with the wastewater project and will help conserve water resources when a water system is in place. Until then they are not being used as a conservation tool only water measurement for wastewater fee assessment.
2. Our application was scored lower because it did not include a 25% reserve fund for SRF, but this is not required since a Rural Improvement District has already been formed.
3. The water project and wastewater project go hand in hand, can't do one without the other because of future annexation into the City of Helena. The combined project helps to save water and protect the aquifer.
4. Project ensures infill development and redevelopment instead of encouraging sprawl development that will impact resources.
5. This is a rehabilitation project and not a new project – existing systems are there that need replacing. Drinking water quality issues due to nitrate infiltration were the impetus for the project.